ADB ASIAN DEVELOPMENT BANK

Uzbekistan: Tashkent Province Sewerage Improvement Project

Project Name	Tashkent Province Sewerage Improvement Project
Project Number	52045-001
Country	Uzbekistan
Project Status	Proposed
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan: Tashkent Province Sewerage Improvement Project concessional ordinary capital resources lending / Asian Development Fund — US$ 160.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development
Sector / Subsector	Water and other urban infrastructure and services - Urban sanitation - Urban sewerage
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	The project will upgrade the centralized wastewater systems of the six cities and the Chinaz urban center, improve sanitation practices in two districts' rural areas, and build wastewater planning and operational capacity in the TPS. It is consistent with the ADB Water Operational Plan 2011-2020, ADB's Country Operations Business Plan, 2019-2021 for Uzbekistan and aligns with previous and ongoing ADB-funded WSS projects contributing to key operational priorities such as livable cities, governance and institutional capacity improvement and environmental sustainability enhancement under ADB's Strategy 2030 as well as the attainment of Sustainable Development Goals. The project will be aligned with the following impact: environment, health and living conditions in Tashkent province improved. The outputs will result in the following outcome: access to reliable wastewater services in the cities of Akhangaran, Almalyk, Angren, Bekabod, Chirchik, Yangiyul and the Chinaz urban center, and the rural areas of Yangiyul and Chinaz districts improved and expanded. The project is expected to directly benefit one million people with the following proposed outputs.

Project Rationale and Linkage to Country/Regional Strategy	Uzbekistan is one of Central West Asia's fastest growing economies, having sustained rapid economic growth over the past decade. The nation's growth is primarily attributable to Tashkent Province, the nation's most economically advanced region and largest agglomeration. With a population of 2.8 million, and spanning an area of over 15,000 square kilometers (km2), the province is endowed with rich natural resources and vibrant industries. It generates about one quarter of the nation's entire gross domestic product. Tashkent province has 14 districts and six major cities Akhangaran, Almalyk, Angren, Bekabod, Chirchik, and Yangiyul cities that are regarded as key economic centers. Within the province there are 97 semi-urbanized settlements and 885 rural villages. There are three strategically important rivers, Chirchik (north catchment), Akhangaran (central catchment), and Syr Darya (south catchment) serving as the main sources for irrigation and drainage in the province. Core problem. The province suffers from persistent urban service limitations, particularly in wastewater. Of the province's 2.8 million population, only 0.45 million (16%) inhabitants are connected to municipal wastewater systems. The remaining 2.37 million (84%) are forced to rely on rudimentary systems such as pit latrines and earth ditches, and practices that threaten public health and hygiene. The province's Soviet-era centralized wastewater systems comprised of six large wastewater treatment plants (WWTPs) and 1,150 km of sewerage collectors and networks are dilapidated and in need of immediate rehabilitation. Vast quantities of wastewater are discharged into rivers, impoundments, agricultural areas, and groundwater resources causing environmental pollution and river contaminations. The contamination of the rivers, caused by untreated sewage and polluted surface runoff, is of serious concern. The river water quality has deteriorated substantially, with infectious agents, toxic chemicals, pathogens and other organic bacterial organisms often dangerously exceeding national water quality standards. The recreational use of the rivers and their banks continues, but the consumption of raw river water is unsafe. Sewage discharge outfalls are dirty and with offensive odors impacting nearby receptors. Currently one water treatment plant under construction, and other plants being planned, will draw water from the rivers. Thus, protecting and improving the river water quality is essential. The wastewater sector, previously under the Communal Services Agency (CSA) and now under the Ministry of Housing and Communal Services (MHCS), has endured dysfunctional and fragmented regulatory and institutional frameworks, poor inter-agency coordination, limited sector planning, unclear regulatory compliance, and ineffective enforcement. Effluent discharge compliance is deficient throughout the province due to the following limitations: (i) laboratory funding and capacity, and (ii) monitoring and enforcement of state agencies. The performance of the local water and wastewater utilities (vodokanals') has been poor, lacking a performance-based management focus and accountability resulting in limited staff incentives and high turnover. Funding constraints for capital investments and operation and maintenance (O&M) have been severely exacerbated by low tariff levels, limited public funding, and a virtually absent private sector. Significant urban-rural inequalities exist in wastewater service provision. Stakeholder involvement is limited. Concepts of environmental protection and climate adaptation and resilience are yet to be well understood. These deficiencies limit the wastewater service delivery, potentially posing environmental deterioration, public health threats, and constrained economic growth. Sector reforms. With support from the Asian Development Bank (ADB) and other development partners, the Government of Uzbekistan (government) has responded by reorganizing water supply and sanitation (WSS) sector institutions along with implementing sector-wide management, financial and cost recovery reforms. In Tashkent province reforms have led to the operationalization of the Tashkent Provincial Suvokova (TPS) responsible for all WSS services in the province. A recent strategic presidential resolution prioritizes the continued modernization of the WSS in Uzbekistan by (i) adopting new and innovative business models for the utility management including public-private partnership (PPP); (ii) introducing information and communication technologies (ICT) such as geographic information system (GIS), supervisory control and data acquisition, and modern metering devices; (iii) adopting a new tariff policy that ensures full cost recovery over time, which will attract private sector participation and resources; and (iv) conducting advanced training programs. To ensure environmental sustainability, the government is considering expanding the mandate of the Clean Drinking Water Foundation to cover both the development of water supply and sewage systems. In recent years, the World Bank, the Islamic Development Bank, Arab Coordination Group, Swiss State Secretariat for Economic Affairs, and Swiss Agency for Development and Cooperation have also been working in the WSS sector in other regions of Uzbekistan. Priority needs. Despite substantial progress in the water supply subsector, severe wastewater treatment deficiencies exist throughout the province. The existing wastewater systems in six major cities of (i) Akhangaran, Almalyk, and Angren (discharge into the Akhangaran river); (ii) Chirchik and Yangiyul (discharge into the Chirchik river); and (iii) Bekabod (discharges into the Syr Darya river) have been prioritized by the government for rehabilitation because of their relative size, economic significance, and the extent of environmental damage caused by wastewater effluent discharges. Immediate action is needed in the district urban center of Chinaz, located downstream Chirchik river where the existing centralized wastewater system failed, threatening public health. The rural areas also need sanitation improvement by transitioning to septic tank systems, rationalizing and expanding septage collection and disposal services, and improving public awareness and engagement. Further institutional support is required to strengthen TPS' wastewater planning, help establish an industrial sewer inspection and monitoring system, explore possible wastewater reuse approaches, pilot decentralized wastewater system best practices and develop training programs for wastewater management capacity building.
Impact	Environment, health, and living conditions in Tashkent province improved.
Outcome	Access to reliable wastewater services in the cities of Angren, Akhangaran, Almalyk, Chirchik, Bekabod, Yangiyul and the Chinaz urban center of Tashkent province improved and expanded.
Outputs	Centralized urban wastewater systems in the cities of Angren, Akhangaran, Almalyk, Chirchik, Bekabod, Yangiyul and the Chinaz urban center improved Decentralized wastewater disposal systems in rural settlements of Chinaz and Yangiyul districts improved TPS wastewater management and project implementation capacity strengthened
Geographical Location	Tashkent

Safeguard Categories	
Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects
Environmental Aspects
Involuntary Resettlement
Indigenous Peoples
Stakeholder Communication, Participation, and Consultation
During Project Design
During Project Implementation

Responsible ADB Officer	Kim, Jung Ho
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Urban Development and Water Division, CWRD
Executing Agencies	Agency "Kommunhizmat" (CSA) formerly Uzbekistan Communal Services Agency "Uzkommunkhizmat" 1, Niyozbek Yuli Str. Tashkent 100035 Republic of Uzbekistan

Timetable	
Concept Clearance	02 Mar 2019
Fact Finding	01 Jun 2019 to 30 Jun 2019

MRM	15 Jul 2019
Approval	-
Last Review Mission	-
Last PDS Update	07 Mar 2019

Project Page	https://www.adb.org/projects/52045-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=52045-001
Date Generated	09 March 2019